



April 1, 2015

Honorable Representative Sylvia Luke
Hawaii State Capitol, Room 306
415 South Beretania Street
Honolulu, Hawaii 96813

Honorable Representative Scott Nishimoto
Hawaii State Capitol, Room 421
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Representative Luke, Representative Nishimoto, and Members of the House Finance Committee:

Testimony Regarding Senate Bill 1180 SD2 HD1 Relating to Metropolitan Planning Organizations (MPOs)

Senate Bill 1180 SD2 HD1 is necessary for the OahuMPO to maintain its federal certification as the metropolitan planning organization for Oahu, and I respectfully request your support of its passage with the following changes.

- Regarding SECTION 4 and SECTION 5:
 - The intended goal of OahuMPO is to continue the use of the self-replenishing revolving fund that has been used since 1975, but increase the level of funding to \$500,000. No other changes to the revolving fund are being sought.
 - A procedural comment from OahuMPO's FY 2014 financial audit notes that *"...OahuMPO had problems with the timely payment of its obligations. OahuMPO is on a reimbursement basis with its grant agreements. Therefore, OahuMPO must have available cash to make the remittance before submitting a claim for reimbursement...."*
- Amend SECTION 8 as follows:
 - "This Act shall take effect [~~on July 1, 2050~~] upon approval of the 2015 comprehensive agreement."
 - If the Act takes effect prior to the approval of the new comprehensive agreement, it may create a situation in which the OahuMPO would technically not exist given the differences between the language in the Act and the existing comprehensive agreement.

I urge your support for SB 1180 SD2 HD1, as amended above, and approval of the bill as expeditiously as possible.

Sincerely,

Brian Gibson
Executive Director

Oahu Metropolitan Planning Organization

Ocean View Center / 707 Richards Street, Suite 200 / Honolulu, Hawaii 96813-4623
Telephone (808) 587-2015 • (808) 768-4178 / Fax (808) 587-2018 / email: OahuMPO@OahuMPO.org

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON FINANCE
ON
SENATE BILL NO. 1180, S.D. 2, H.D. 1

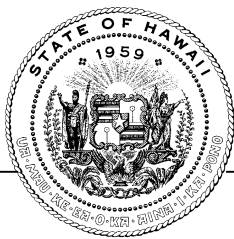
April 2, 2015

RELATING TO METROPOLITAN PLANNING ORGANIZATIONS

Senate Bill No. 1180, S.D. 2, H.D. 1, proposes to create a new chapter relating to metropolitan planning organization in lieu of the existing Chapter 279E, HRS, which is being repealed. The bill also establishes within the State treasury the "Transportation Management Area Metropolitan Planning Organization Revolving Fund" into which shall be deposited: 1) member financial dues; 2) all revenues from the operations of the Transportation Management Area Metropolitan Planning Organization; 3) appropriations by the Legislature to the fund; 4) federal funds or grants; and 5) gifts grants and any other moneys available to the fund. It is noted that the bill currently contains an unspecified appropriation from the State Highway Fund to the Metropolitan Planning Organization Revolving Fund and an unspecified appropriation from the revolving fund. Moneys in the revolving fund are to be used to pay for the operations of the Oahu Metropolitan Planning Organization.

While the Department of Budget and Finance (B&F) does not take any position on the metropolitan planning organization operations, as a matter of general policy, the department does not support the creation of revolving funds which do not meet the requirements of Section 37-52.4, HRS. Revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or

beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. In regards to Senate Bill No. 1180, S.D. 2, H.D. 1, it is difficult to determine whether the revolving fund will be self-sustaining.



OFFICE OF PLANNING STATE OF HAWAII

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
ACTING DIRECTOR
OFFICE OF PLANNING

Telephone: (808) 587-2846
Fax: (808) 587-2824
Web: <http://planning.hawaii.gov/>

Statement of
LEO R. ASUNCION
Acting Director, Office of Planning
before the
HOUSE COMMITTEE ON FINANCE
Thursday, April 2, 2015
2:00 PM
State Capitol, Conference Room 308

in consideration of
SB 1180 SD 2 HD1
RELATING TO METROPOLITAN PLANNING ORGANIZATIONS.

Chair Luke, Vice Chair Nishimoto, and Members of the House Committee on Finance.

The Office of Planning strongly supports SB 1180 SD 2 HD1. This bill amends the Hawaii Revised Statutes to enact a new chapter and repeals and re-establishes the Metropolitan Planning Organization in order to ensure the appropriate authority complies with Federal laws. A joint certification review by the Oahu Metropolitan Planning Organization (MPO), Federal Highways Administration, and the Federal Transit Administration found that portions of the current Chapter 279E, Hawaii Revised Statutes, are in conflict with current Federal regulations. SB 1180 SD 2 HD1 seeks to remedy this. If the Oahu MPO is not in compliance by July 2015, the Oahu MPO faces decertification and the loss of significant Federal funds.

Thank you for the opportunity to testify.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oiip@hawaii.gov

To: House Committee on Finance

From: Cheryl Kakazu Park, Director

Date: April 2, 2015, 2:00 p.m.
State Capitol, Conference Room 308

Re: Testimony on S.B. No. 1180, S.D. 2, H.D. 1
Relating to Metropolitan Planning Organizations

Thank you for the opportunity to submit testimony on this bill, which would create a new chapter relating to metropolitan planning organizations. The Office of Information Practices ("OIP") takes no position on the policy questions being posed to the Legislature. The technical problem raised in OIP's testimony on previous drafts was resolved by the H.D. 1 of this bill and OIP has no further concerns.

Thank you for the opportunity to testify.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honoluluodpp.org • CITY WEB SITE: www.honolulu.gov

KIRK CALDWELL
MAYOR



GEORGE I. ATTA, FAICP
DIRECTOR

ARTHUR D. CHALLACOMBE
DEPUTY DIRECTOR

April 2, 2015

The Honorable Sylvia Luke, Chair
and Members of the Committee on
Finance
Hawaii State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Members:

SUBJECT: Senate Bill No. 1180, SD 2, HD 1
Relating to Metropolitan Planning Organizations

The Department of Planning and Permitting (DPP) **supports** Senate Bill No. 1180, SD 2, HD 1, which would repeal Chapter 279E, Hawaii Revised Statutes (HRS), and create a new chapter with revised requirements for metropolitan planning organizations.

A 2014 joint certification review of the Oahu Metropolitan Planning Organization (OahuMPO), the Federal Highway Administration, and the Federal Transit Administration found that portions of HRS 279E conflict with Federal regulations. The new chapter of the HRS provides the OahuMPO with the authority to comply with Federal laws applicable to metropolitan planning organizations. If the OahuMPO is not in compliance by the established deadlines and is not certified, 20 percent of the apportionment attributed to the metropolitan planning area (approximately \$12 million in highway and transit funding) may be withheld.

Please move Senate Bill No. 1180, SD 2, HD 1 forward.

Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in blue ink that reads "George I. Atta".

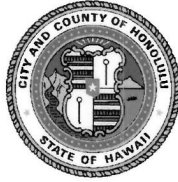
George I. Atta, FAICP
Director

GIA:
SB 1180 SD2 HD1-la

DEPARTMENT OF TRANSPORTATION SERVICES
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 3RD FLOOR
HONOLULU, HAWAII 96813
Phone: (808) 768-8305 • Fax: (808) 768-4730 • Internet: www.honolulu.gov

KIRK CALDWELL
MAYOR



MICHAEL D. FORMBY
DIRECTOR

MARK N. GARRITY, AICP
DEPUTY DIRECTOR

April 1, 2015

The Honorable Sylvia Luke, Chair
and Members of the Committee on Finance
House of Representatives
State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Members of the Committee:

SUBJECT: Testimony on Senate Bill No. 1180 SD2, HD1 Relating to Metropolitan Planning Organizations (MPOs)

The Department of Transportation Services (DTS) wishes to reiterate its support for the passage of SB 1180 SD2, HD1.

As a key participating agency in the OahuMPO, our department recently participated in the federal certification review of the OahuMPO. An important finding of the review (Oahu Metropolitan Planning Organization: TMA Certification Review, September 25, 2014 Final Report) was that the existing Hawaii Revised Statute (HRS) Chapter 279E related to Metropolitan Planning Organizations conflicts with current federal transportation regulations 23 U.S.C. 134 and 135 and 23 CFR 450. This conflict needs to be rectified in order for the OahuMPO to maintain its federal TMA (Transportation Management Area) certification.

The stated consequences of a de-certification of the OahuMPO would be a withholding of up to 20% of federal surface transportation funds normally attributable to Oahu. This has been calculated by FHWA (Federal Highway Administration) and FTA (Federal Transit Administration) to be about \$12 million annually.

The withholding of such federal funds would be detrimental to our department's funding of transportation studies, programs and projects. Both our roadway and transit funding would be significantly impacted.

I am therefore strongly encouraging that the subject bill be passed by this committee. Thank you for the opportunity to submit this written testimony on Senate Bill 1180 SD2, HD1.

Very truly yours,

A handwritten signature in black ink, appearing to read "Michael D. Formby".

Michael D. Formby
Director

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, April 02, 2015 11:37 AM
To: FINTestimony
Cc: mjgolo@email.phoenix.edu
Subject: Submitted testimony for SB1180 on Apr 2, 2015 14:00PM

SB1180

Submitted on: 4/2/2015

Testimony for FIN on Apr 2, 2015 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Mike Golojuch	Individual	Comments Only	No

Comments: As a Citizens Advisory Committee (CAC) member, I support the intent of this bill to comply with federal transportation requirements. I do believe that there is a need to have a CAC member on the the Policy Board.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

April 2, 2015
2:00 p.m.
State Capitol, Room 308

LATE

**S.B. 1180 S.D. 2 H.D. 1
RELATING TO METROPOLITAN PLANNING ORGANIZATIONS**

House Committee on Finance

The Department of Transportation (DOT) is in **strong support** of this bill as it addresses federal corrective actions to allow the Oahu Metropolitan Planning Organization (OahuMPO) to maintain its federal certification as the metropolitan planning organization for Oahu, and addresses our concerns from previous versions of the bill.

The DOT recommends that Section 1 Item 5(b), Section 4, and Section 5 be revised to ensure consistency throughout the bill when referencing the transportation management area metropolitan planning organization revolving fund. Throughout the bill, all references to that revolving fund should read "transportation management area metropolitan planning organization revolving fund."

The DOT also recommends that Sections 4 and 5 be revised as DOT will only allow \$500,000 to be appropriated out of the state highway fund into the transportation management area metropolitan planning organization revolving fund.

Lastly, the DOT recommends that Section 8 be revised to have the bill take effect upon approval in order to address the federal corrective actions from the Transportation Management Area Certification Review, Final Report, dated 9/26/14 by the deadline set by the federal government.

Thank you for the opportunity to provide testimony.